

**COMMISSIONERS**  
JEFF HATCH-MILLER - Chairman  
WILLIAM A. MUNDELL  
MARC SPITZER  
MIKE GLEASON  
KRISTIN K. MAYES



**ARIZONA CORPORATION COMMISSION**

BRIAN C. McNEIL  
Executive Secretary

Direct Line: (602) 542-4143  
Fax: (602) 542-0765  
E-mail: kmayes@cc.state.az.us

July 6, 2005

Chairman Jeff Hatch-Miller  
Commissioner William Mundell  
Commissioner Marc Spitzer  
Commissioner Mike Gleason  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, AZ 85007

**Re: Disclosure of Future High Voltage Power Lines**

Dear Colleagues:

Each month, thousands of new residents arrive in Arizona. With these new denizens comes an ever increasing demand for energy transmission. It also sets the stage for an inexorable clash between the need for power, and the desire of many to live in an area free from the large power lines required to deliver that power.

Unfortunately, it seems unlikely that the need for these new high voltage transmission lines will recede anytime soon. But as we go about siting these projects, we have a duty to ask whether everything possible is being done to notify prospective homebuyers that high voltage power lines are slated nearby. The ACC has made strides in this area recently. As you know, we now require that utilities post clear and prominent signs warning of an impending power line once the Commission has approved a CEC, a practice first proposed by Commissioner Mundell.

But there is more that can be done.

First, the Commission should consider including as part of all future CEC approvals a condition that utilities record the CEC corridor with County Recorders. In so doing, any prospective homebuyer who conducts a title search will be put on notice of the scheduled construction of a major power line. This idea was broached by Ms. Laurie Woodall, the Chairperson of the Arizona Power Plant and Transmission Line Siting Committee, during the Committee's deliberations on APS' West North Valley 230kV Transmission Line, Docket No. L-00000D-04-0127. There, Ms. Woodall suggested that the CEC be recorded against all pieces of land affected by the easement for the proposed power line. The idea was ultimately tabled in that case.<sup>1</sup>

Second, the Commission should consider requiring developers and utilities to team up to offer affirmative notice to prospective homebuyers in the form of a disclosure paper or statement that includes a depiction of the type of power line being proposed, accompanied by a written description.

<sup>1</sup> See transcripts, APS-West Valley North, Docket No. L-00000D-04-0127, pgs. 909 to 917.

ACC Commissioners

July 6, 2005

Page two

The issue of developer disclosure was raised at the Commission's May 3, 2005 Open Meeting where the Commission unanimously approved a CEC for APS's West North Valley 230kV Transmission Line. In the Certificate of Environmental Compatibility for that line, the Commission issued the following condition: "*25. Applicant shall work with developers along the route to encourage them to include the identity and location of the certificated route in the developers' homeowners' disclosure statement.*" While this was certainly a good start, it clearly falls short of a directive to either the utility or the developers in the area to disclose the presence of the line to prospective homebuyers.

Finally, I propose that the Commission support the inclusion of high voltage power lines in the public real estate reports that accompany new home sales. Toward that end, I recently contacted Arizona Department of Real Estate (ADRE) Commissioner Elaine Richardson and voiced my support for including high voltage power lines in public reports. Commissioner Richardson agreed to raise the issue through the ADRE's stakeholder process, the procedure by which items are added to public reports. I also referred Commissioner Richardson to Ms. Woodall for additional information about high voltage power lines and past efforts by the Line Siting Committee to increase disclosure. If it chose, the Commission could file comments with ADRE supporting this measure.

There are strong arguments for utility lines to be included in real estate public reports. Recently, Commissioner Richardson quite rightly added petroleum and natural gas distribution lines to the list of items that must be disclosed by developers of subdivisions. The ADRE disclosure rule is designed to inform new home buyers of nearby conditions that would materially affect the value of the home, and it includes, in addition to pipelines, railroads, canals, shooting ranges and freeways. I believe this list logically should be expanded to power lines sited by the ACC.

The first of these proposals could be accomplished by Commission action through case-by-case application. The second could be implemented by working with the Legislature or with ADRE. And the third proposal could be accomplished by working with ADRE. I welcome your comments about these proposals, and about the most appropriate venue for addressing them.

Sincerely,



Kris Mayes  
Commissioner

cc: Laurie Woodall  
Ernest Johnson  
Elaine Richardson  
Ronald Passarelli  
Chris Kempley  
Brian McNeil  
Heather Murphy